

Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor Mary Beth Tung, Director

Application Instructions MEA Commercial, Industrial & Agricultural Grant Program

The Maryland Energy Administration ("MEA") is pleased to offer the Fiscal Year 2020 Commercial, Industrial, and Agricultural Grant Program ("FY20 CI&A Program") to eligible Maryland businesses, industrial, and agricultural entities for the implementation of energy efficiency measures in their existing or to-be-constructed facilities. This document provides instructions on how to apply to the Program.

Required Documents

The checklist below lists all required documents for a complete FY20 CI&A Program Application. Use it as a guide to keep track of all documents as they are obtained to ensure all necessary information is acquired prior to application submission. Detailed descriptions of the requirements for each item are provided below the checklist.

| Check | Document |
|-------|--|
| | 1. MEA FY20 CI&A Program Application Form |
| | 2. Energy Baseline Documents |
| | 3. Energy Savings Documentation |
| | 4. Contractor Proposal(s) |
| | 5. EmPOWER Utility Rebate Application(s)/Letter of Intent |
| | 6. Project Timeline |
| | 7. Certificate of Status |
| | 8. Annual Implementation Report (AIR) if Nutrient Management is applicable |

- 1. **MEA FY20 CI&A Program Application Form:** The FY20 CI&A Program is utilizing a Word Doc application form, available at the <u>CI&A webpage</u>
- 2. **Energy Baseline Documents:** All projects must provide an established baseline of facility/dedicated space energy consumption over a 12-consecutive-month timeframe.

Based on the type of energy efficiency project, this baseline must be established as follows:

<u>Existing Facilities/Dedicated Spaces:</u> Applicants must derive their baseline energy consumption from the most recent 12 months of consecutive utility/provider bills. Data from these bills must be entered into the FY20 CI&A Program Utility Summary spreadsheet and the corresponding utility bills must be provided in the application package.

<u>To-be-constructed Facilities/Dedicated Spaces:</u> 12 consecutive months of projected energy usage assuming the installation of minimum energy-code equipment, technology, and/or building materials/envelope measures must be provided in the FY20 CI&A Program Projected Baseline Summary spreadsheet. All associated calculations and assumptions sources must be provided to back up these projections in the application package.

- 3. Energy Savings Documentation: Applicants are responsible for providing verification of claimed energy savings. For projects in existing facilities, it is strongly encouraged that Applicants obtain a third-party facility/dedicated space Energy Audit that identifies the proposed ECMs and associated projected energy savings. Alternatively, Applicants can provide an energy audit conducted by the contractor which they have selected or model energy savings using Version 8 of the Mid-Atlantic Technical Reference Manual ("TRM").
 - For projects in to-be-constructed facilities, Applicants are encouraged to utilize energy modeling software that identifies the proposed ECMs and associated projected energy savings. Alternatively, Applicants can model energy savings using Version 8 of the Mid-Atlantic TRM. While the latter is permissible, energy modeling of the actual facility will provide a more accurate and realistic estimate of the energy savings that will be realized compared to the code-minimum equipment.
- 4. Contractor Proposal(s): Applicants must provide at least one (1) project proposal/bid from (a) qualified contractor(s). Applicants are encouraged, but not required, to solicit bids from multiple contractors. Proposals should clearly list all ECMs in the project and clearly delineate all associated costs—including procurement, materials, labor, and any other costs directly associated with the implementation of the project. Proposed projects must be fully-designed—Applicants should not apply to the FY20 CI&A Program until they have a finalized energy efficiency project design.
- 5. **EmPOWER Utility Rebate Application(s)/Letter of Intent:** Applicants located within one of Maryland's five investor-owned utility ("IOU") service territories must apply or submit formal intent to apply to the incentives offered by their utilities for eligible ECMs.

Applicants who have applied must include copies of their completed applications, and applicants who have not yet applied must submit a letter of intent to apply. The following table provides links to the commercial energy efficiency incentive programs for the EmPOWER Maryland Utilities.

| EmPOWER Utility | Incentive Program Link(s) |
|-------------------------------------|---------------------------|
| | Medium & Large Entities |
| Baltimore Gas & Electric ("BGE") | <u>Small Entities</u> |
| Potomac-Edison ("PE") | All C&I Incentives |
| | Medium & Large Entities |
| PEPCO | Small Entities |
| | Medium & Large Entities |
| SMECO | Small Entities |
| | Medium & Large Entities |
| Delmarva Power & Light ("Delmarva") | Small Entities |

- 6. **Project Timeline:** A detailed project timeline establishing milestones (such as project start, procurement, installation, etc.) must be provided.
- 7. Certificate of Status from the Maryland State Department of Assessments and Taxation ("SDAT"): Applicants must be in Good Standing with SDAT. Click on the link above and follow the instructions provided to obtain a Certificate of Status.

Calculating Incentive Amounts: Incentive amounts should be calculated as follows:

Existing Facilities

Incentives for energy efficiency projects in existing facilities can receive CI&A Grants for up to 50% of the Net Total Project Cost, or \$100,000, whichever is lower. The Net Total Project Cost is calculated as the Total Project Cost minus all other incentives, rebates, and leveraged funds. See the example below:

Total Project Cost: \$325,000

Rebates, Incentives, and Leveraged Funds: \$40,000 Net Total Project Cost: \$325,000 - \$40,000 = \$285,000 \$285,000 x 50% = \$142,500

CI&A Grant: \$100,000

To-be-constructed Facilities

Incentives for energy efficiency projects in facilities that are yet to be constructed can receive CI&A Grants for up to 50% of the Net Total Project Incremental Cost, or \$100,000, whichever is lower. The Net Total Project Incremental Cost is calculated as the Total Project Cost minus the sum of all other incentives, rebates, leveraged funds, and the total cost of the energy codeminimum equipment, technology, or building materials/envelope measures that would otherwise be installed. See the example below:

Total Project Cost: \$500,000

Rebates, Incentives, and Leveraged Funds: \$30,000 Total Cost of Code-minimum Measures: \$315,000

Net Total Project Incremental Cost: \$500,000 – (\$30,000 + \$315,000) = \$155,000

\$155,000 x 50%=\$77,500

CI&A Grant: \$155,000 x 50% = \$77,500

Application Submission Instructions

If submitting by email, save the completed Application Form with the following filename format: APPLICANT_ORGANIZATION_NAME_FY20_CIA_APPLICATION_FORM. For example, an Application for "Caitlin's Coffee Mug Company" would be saved as "CAITLINS_COFFEE_MUG_COMPANY_FY20_CIA_APPLICATION_FORM"

Next, send the completed Application Form and necessary supporting documentation to ci.mea@maryland.gov with the name of the Applicant Organization and "FY20 CI&A Application." Application." For example: "Caitlin's Coffee Mug Company FY20 CI&A Application."

If you need to send multiple emails to accommodate file sizes, please label emails "1 of 3", etc.

If submitting by mail or hand-delivery, provide the completed Application Form and all associated supporting documents to MEA at the following address:

Maryland Energy Administration
Attn: FY20 CI&A Program
1800 Washington Boulevard, Suite 755
Baltimore, MD 21230

Mail and hand delivery deadlines are as follows:

- For Application Period 1: October 15, 2019 at 5:00 P.M.
- For Application Period 2 (Opens on October 16, 2019): January 15, 2020 at 5:00 P.M.